

Consumer Note

Lender

The Hardin County Bank
235 Wayne Road
P.O. Box 940
Savannah, TN 38372

Borrower

ELLIOTT B FRANKS
SARAH N FRANKS
9495 HIGHWAY 128
Savannah, TN 38372

Summary

Loan Number: [REDACTED]
Note Date: October 9, 2018
Loan Amount: \$182,312.21
Maturity Date: June 9, 2019

Definitions

"I", "me" or "my" means each Borrower or Cosigner who signs this note and each other person or legal entity (including guarantors, endorsers, and sureties) who agrees to pay this note (together referred to as "us"). "You" or "your" means the Lender and its successors and assigns.

"Property" means all property securing this note.

"Loan Documents" means all the documents executed as a part of or in connection with the transaction.

Existing Loan

Refinancing. This note will pay off the following described note(s):

Note Date	Note Number	Note Amount
08/30/2018	[REDACTED]	\$161,419.53

The remaining balance of the refinanced note(s) listed above is \$157,773.99.

Promise to Pay

For value received, I promise to pay to you, or your order, at your address listed above the **PRINCIPAL** sum of one hundred eighty two thousand three hundred-twelve and 21/100 dollars (\$182,312.21) under the terms of this Note.

Single Advance. I will receive all of the loan amount on October 9, 2018. There will be no additional advances under this note. However, you may add other amounts to the principal if you make any payments described in the *Payments by Lender* section below.

Interest and Other Charges

I agree to pay interest on the outstanding principal balance from October 9, 2018 at the rate of 5.990% per year until paid in full.

Interest accrues on the principal remaining unpaid from time to time, until paid in full. The interest rate(s) and other charges on this note will never exceed the highest rate or charge allowed by law for this note. If you collect

more interest than the law and this note allow, you agree to refund it to me. If you send any erroneous notice of interest, you agree to correct it.

Accrual Method. The amount of interest that I will pay on this note will be calculated on a/an Actual/365 basis. For interest calculation, the accrual method will determine the number of days in a year.

Post-Maturity Rate. I agree to pay interest on the unpaid balance of this note owing after maturity on the same basis as before maturity.

Late Charge. If I make a payment more than 15 days after it is due, I agree to pay a late charge of 10.000 percent of the Amount of Payment.

Additional Charges. The Loan Estimate and Closing Disclosure that were given to me list the fees and charges that apply to this loan.

Assumption

This note and any document securing it cannot be assumed by someone buying the secured Property from me. This will be true unless you agree in writing to the contrary. Without such an agreement, if I try to transfer any interest in the Property securing this note, I will be in default on this note. You may proceed against me under any due on sale clause in the security agreement, which is incorporated by reference.

Payments

I agree to pay accrued interest on this note in monthly payments on November 9, 2018 and the same day of each month until June 9, 2019. On that date, I agree to pay in full the principal balance and all accrued interest on this note.

Separate Balloon Disclosure. A final balloon payment of \$183,239.70, together with accrued interest, if any, will be due June 9, 2019. The actual amount of my final payment will depend on my payment record.

Demand Feature. In addition I agree to pay this note on demand. Upon your demand the entire unpaid balance of

principal and accrued interest, along with any earned, and unpaid fee or charges, and the amount of any advances made on my behalf, will be due and owing whether or not I am in default under this note.

Rounding and Other Information. Payments will be rounded to the nearest \$.01. With the final payment I also agree to pay any additional fees or charges owing and the amount of any advances you have made to others on my behalf. Payments scheduled to be paid on the 29th, 30th or 31st day of a month that contains no such day will, instead, be made on the last day of such month.

Application of Payments. Except as otherwise provided in this note, each payment I make on this note will be applied first to escrow that is due, then to interest that is due, then to principal that is due, then to any charges that I owe other than principal and interest, then to late charges that are due, and finally to credit insurance premiums that are due. No late charge will be assessed on any payment when the only delinquency is due to late fees assessed on earlier payments and the payment is otherwise a full payment. The actual amount of my final payment will also depend on my payment record.

Prepayment. I may prepay this note in whole, or in part, at any time, without penalty. If I prepay in part, I must still make each later payment in the original amount as it becomes due until this note is paid in full.

Default and Remedies

Default. Subject to any limitations in the *Real Estate or Residence Security* section, I will be in default if any of the following occur:

1. Payments. I fail to make a payment as required by this note.
2. Property. My action or inaction adversely affects the Property or your rights in the Property.
3. Fraud. I engage in fraud or material misrepresentation in connection with this transaction.
4. Other Documents. A default occurs under the terms of any other Loan Document.

Remedies. If I am in default on this note, and after you give any legally required notice and opportunity to cure the default, you have, but are not limited to, the following remedies:

1. You may demand immediate payment of all I owe you under this note (principal, accrued unpaid interest and other accrued charges);
2. You may set off this debt against any right I have to the payment of money from you, subject to the terms of the *Set-Off* section herein;

3. You may demand security, additional security, or additional parties to be obligated to pay this note as a condition for not using any other remedy;
4. You may refuse to make advances to me;
5. You may use any remedy you have under state or federal law; and
6. You may require me to gather the Property and make it available to you in a reasonable fashion (unless prohibited by law); keep or dispose of the Property as provided by law; apply the proceeds to your expenses of collection and enforcement and then to the secured debt; and, unless prohibited by law and following any required notice of deficiency, hold me liable for any deficiency if what you receive from the sale does not satisfy the secured debts.

By selecting any one or more of these remedies you do not give up your right to later use any other remedy. By waiving your right to declare an event to be a default, you do not waive your right to later consider the event as a default if it continues or happens again.

Real Estate or Residence Security. The existence of a default and your remedies for such a default will be determined by applicable law, by the terms of any separate instrument creating the security interest and, to the extent not prohibited by law and not contrary to the terms of the separate security instrument, by the *Default and Remedies* sections of this note.

Payments by Lender. If you are authorized to pay, on my behalf, charges I am obligated to pay (such as property insurance premiums), then you may treat those payments made by you as advances and add them to the unpaid principal under this note, or you may demand immediate payment of the charges.

Collection Costs and Attorneys' Fees. To the extent permitted by law, I agree to pay all costs of collection, replevin (an action for the recovery of property wrongfully taken or detained) or any other or similar type of cost if I am in default. In addition, if you hire an attorney to collect this note, I also agree to pay any reasonable fee you incur with such attorney plus court costs (except where prohibited by law). To the extent permitted by the *United States Bankruptcy Code*, I also agree to pay the reasonable attorneys' fees and costs you incur to collect this debt as awarded by any court exercising jurisdiction under the *Bankruptcy Code*.

Set-Off. I agree that you may set off any amount due and payable under this note against any right I have to receive money from you.

"Right to receive money from you" means:

1. Any deposit account balance I have with you;

2. Any money owed to me on an item presented to you or in your possession for collection or exchange; and
3. Any repurchase agreement or other nondeposit obligation.

"Any amount due and payable under this note" means the total amount of which you are entitled to demand payment under the terms of this note at the time you set off. This total includes any balance the due date for which you properly accelerate under this note.

If my right to receive money from you is also owned by someone who has not agreed to pay this note, your right of set-off will apply to my interest in the obligation and to any other amounts I could withdraw on my sole request or endorsement. Your right of set-off does not apply to an account or other obligation where my rights arise only in a representative capacity. It also does not apply to any individual retirement account or other tax-deferred retirement account.

You will not be liable for the dishonor (nonpayment) of any check when the dishonor occurs because you set off this debt against any of my accounts. I agree to hold you harmless from any such claims arising as a result of your exercise of your right of set-off.

Security

This note is separately secured by:

DEED OF TRUST ON RE LOCATED @ 190
CARPENTER LANE, SAVANNAH, TN 5TH CD
HARDIN CO TN (MAP 125, PARCEL 50.23 (1.38
ACRES MORE OR LESS)

Other Debts and Property. Property securing another debt will not secure this note if such property is my principal dwelling and you fail to provide any required notice of right of rescission (i.e., right to cancel). Also, property securing another debt will not secure this note to the extent such property is household goods. No present or future agreement securing any other debt I owe you will secure the payment of this note if, with respect to this note, you fail to fulfill any necessary requirements or conform to any limitations of Regulations Z and X that are required for loans secured by the Property or if, as a result, this note would become subject to Section 670 of the *John Warner National Defense Authorization Act* for Fiscal Year 2007.

Creditor-Placed Insurance Notice

I am giving you a security interest in the Property securing this note. I am required to maintain insurance on the Property to protect your interest until all debts secured by that Property are paid. If I fail to provide evidence of insurance on the Property to you, you may place insurance on the Property and I will be responsible to pay for the costs of that creditor-placed insurance.

Insurance

Property Insurance. I may obtain property insurance from anyone I want that is acceptable to you. If I get the insurance from or through you I will pay _____ for _____ of coverage.

Flood Insurance. Flood insurance is not required at this time. It may be required in the future should the Property be included in a updated flood plain map. If required in the future, I may obtain flood insurance from anyone I want that is reasonably acceptable to you.

Commissions. I understand and agree that you (or your affiliate) will earn commissions or fees on any insurance products, and may earn such fees on other services that I buy through you or your affiliate.

General Terms

This note is governed by the law of the state of Tennessee, the United States of America, and to the extent required, by the law of the jurisdiction where the Property is located. Any term of this note which is contrary to applicable law will not be effective, unless the law permits you and me to agree to such a variation. If any provision of this note cannot be enforced according to its terms, this fact will not affect the enforceability of the remainder of this note. No modification of this note may be made without your express written consent. Time is of the essence in this note.

If Other Persons Owe on the Loan. I understand that I must pay this note even if someone else has also agreed to pay it (by, for example, signing this form or a separate guarantee or endorsement). You may sue me alone, or anyone else who is obligated on this note, or any number of us together, to collect this note. You may do so without any notice that it has not been paid (notice of dishonor). You may, without notice, release any party to this note without releasing any other party. If you give up any of your rights, with or without notice, it will not affect my

duty to pay this note. Any extension of new credit to any of us, or renewal of this note by all or less than all of us will not release me from my duty to pay it. (Of course, you are entitled to only one payment in full.)

Extending the Note; Assigning my Obligation. I agree that you may at your option extend this note or the debt represented by this note, or any portion of the note or debt, from time to time without limit or notice and for any term without affecting my liability for payment of the note. I will not assign my obligation under this note without your prior written approval.

Giving up my Rights. To the extent not prohibited by law, and except for any required notice or right to cure, I give up my rights to require you to:

1. Demand payment of amounts due (presentment);
2. Obtain official certification of nonpayment (protest);
3. Give notice that amounts due have not been paid (notice of dishonor).

I give up any rights that a guarantor would have to avoid paying the note (unless it has been fully paid). I also give

up any rights to avoid paying based on any action you have taken regarding any mortgage or other collateral for the note. I give up any rights under this note only if the law allows me to.

Financial Information. I will give you any financial statements or information that you feel is necessary. All financial statements and information I give you will be correct and complete.

Purpose. The purpose of this note is MODIFY HCB
- CASH OUT.

Notice

Unless otherwise required by law, any notice to me shall be given by delivering it or by mailing it by first class mail addressed to me at my last known address. My current address is in the *Date and Parties* section. I agree to inform you in writing of any change in my address. I will give any notice to you by mailing it first class to your address stated in the *Date and Parties* section, or to any other address that you have designated.

Signatures

By signing, I agree to the terms contained in this note. I also acknowledge receipt of a copy of this note on today's date.

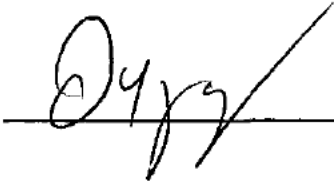
Borrower

	Oct. 9, 2018		Oct. 9, 2018
ELLIOTT B FRANKS	Date	SARAH N FRANKS	Date

Lender

The Hardin County Bank

a/an Tennessee Corporation

	Oct. 9, 2018
	Date

Loan Origination Organization: The Hardin County Bank

NMLS ID: 402176

Loan Originator: David Vaughn

NMLS ID: 412979

How to Make Your Mortgage Payments

Lender

The Hardin County Bank
235 Wayne Road
P.O. Box 940
Savannah, TN 38372

Date: October 9, 2018

Borrower

ELLIOTT B FRANKS
SARAH N FRANKS
9495 HIGHWAY 128
Savannah, TN 38372

Loan Number: [REDACTED]

Property Address: 190 CARPENTER LANE, SAVANNAH, TN 38372

Mortgage Loan Payments

Please note we have implemented the following payment requirements to help us process your mortgage loan payments in a timely fashion:

Days. Payment will be accepted on the following days:

- ☐ Payments are accepted and credited any day that we are open for business.
- ☒ Payments are generally accepted and credited on the day we receive them, except those payments received on a Saturday or on a legal holiday and will be credited the next business day.
- ☐ _____

Cut-Off Time. The payment must be received by 5:00pm CST in order to be credited on that day. If payment is received after this time, it will be credited on the next business day.

Mailing Address. If you are mailing your payment, please send it to the following address: PO BOX 940, SAVANNAH, TN 38372

- ☒ **Address for In-Person Delivery.** If you are making your payment in person, the payment may be dropped off at the following location(s): 235 WAYNE ROAD, SAVANNAH, TN 38372

Other Payment Requirements.